

Accountant embezzles more than Nu 8.4M

January 15, 2020

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A former accountant of Samdrupcholing drungkhag misused and embezzled more than Nu 8.4 million (M) government funds through fraudulent and deceptive practice.

The Royal Audit Authority (RAA) pointed this out in its financial audit report for July 1, 2017 to June 30, 2018.

The accounts assistant, according to RAA, misappropriated more than Nu 5M by forging and tampering documents and records, double, excess and inadmissible booking of pay and allowances, misuse of fund transfer, leave encashment, leave and travel concessions, irregular booking and adjustment of advances and inflating contractors' claims in 2016-2017 and Nu 3.3M in 2017-2018 financial years.

He was alleged of misappropriating more than Nu 3.25M by forging and tampering pay and allowances of drungkhag officials, more than Nu 1.4M travel claims were deposited into his saving accounts and misappropriated more than Nu 2M from staggering of remittances like loans, advances and rural life insurances through double claim, excess claim, deposit into his personal accounts, payment without bills and passing journal voucher in 2017-2018 financial year.

According to the report, the accounts assistant has prepared salary schedules in MS excel sheet (Out of PEMS) and included ghost employees of other organisation in the salary sheet. "He had asked individuals to deposit the amounts in his personal accounts later."

It stated that in the month of September 2017, Nu 165,822 was deposited into the saving account of the accounts assistant as his monthly salary although his net payable amount was only Nu 5,314. "He was paid Nu 375,314 in the month of October, Nu 214,410 in November and Nu 165,314 in January 2018."

The accounts assistant's wife, who is an office assistant, also took an excess of Nu 52, 568 against her net salary of Nu 9,534. He created a ghost teacher of Pemathang School and paid Nu 185,000 as salary. A former gup of Pemathang gewog was impersonated as a teacher and paid Nu 100,000 in January 2018.

The accounts assistant also impersonated as employees of other sectors such as agriculture, malaria and gewog administration and claimed travel allowances.

He misused funds by inflating contractor's bill amount by Nu 400,000 in the construction of approach road and maintenance of RNR staff quarter in Martshala gewog. He embezzled Nu 300,000 from Martsahala Central School fund.

Of the Nu 700,885 he misappropriated through deceptive practices, he misused TA/DA of school teachers of remote schools, inflated claims and payments without supporting documents.

RAA stated that there was no dispatch number in the forwarding letters sent to Bank of Bhutan along with cheques, copy of forwarding letters were not endorsed by the drungpa and office copies were not maintained.

He inflated the bills payable to a vegetable supplier of Karmaling HS and misused patient diet budgets.

In 2016-2017 financial year, the accounts assistant was alleged of 24 cases of irregularities, misuse, embezzlement and corrupt practices amounting to more than Nu 3.3M.

According to RAA, the drungkhag administration started operating a separate letter of credit account from the beginning of 2016-2017 financial year but the budget for sectors like schools, malaria programme and land records were retained with dzongkhag administration in Samdrupjongkhar until the end of that financial year.

The accounts assistant was assigned with the task of handling the drungkhag accounts and he booked different amounts in PEMS against the employees and their salary form presented to the bank, created ghost employees in self-prepared excel sheets and later misappropriated the amount.

He also paid excess amounts to employees and later asked them to refund it in his personal account, impersonated as employees of other agencies, misused stipends of students and rural life insurances.

He also embezzled capital budget of Nu 438,000.

RAA also pointed out there was lack of supervision and monitoring controls by supervising officers in the drungkhag and dzongkhag.

It had asked home and cultural affairs ministry to review and take appropriate action against the officials as per law. "The supervising officers are liable for supervisory accountability."

The drungpa, dzongrab, accounts officer and human resource officer were held liable for supervisory accountability as per section 3.5.4 and 19.5.2 of the Bhutan Civil Service Rules 2018, which mandates the head of agency to be held responsible for subordinate's corrupt and official misconduct charges. Others involved, including accounts assistants, teachers, gewog administrative officers and former gups were held direct accountability for aiding the accounts assistant.

Meanwhile, it was learnt that the accounts assistant was transferred to Trashiyangtse from Samdrupcholing in 2018 but is now suspended because of the issue.

RAA sent a copy of the report to finance secretary, Samdrupjongkhar dzongdag and Samdrupcholing drungpa.